Streamlining Requirements at Rocky Flats

Barbara Mazurowski/Alan Parker May 2002





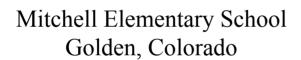
Vision

- Establish a repeatable, SAFE, "commercial" process for the decommissioning of administrative facilities at RFETS by employing the <u>principles</u> of Integrated Safety Management (ISM) while significantly lowering life cycle costs
- Capture up to \$100 million in baseline cost savings through application of commercial practices







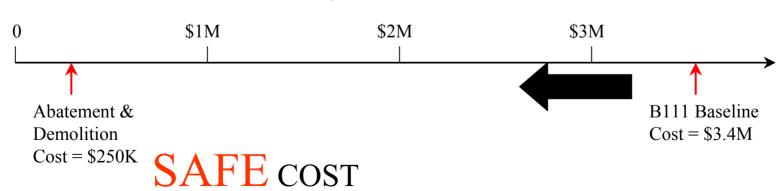


EFFECTIVE GOAL



Building 111 RFETS

Project Cost (\$M)







Strategy and Approach

Strategy:

- Maintain <u>ALL</u> existing contractual responsibilities and requirements
- Appropriately utilize contractual authority to establish subcontract flowdown terms and conditions

Approach:

- Benchmark commercial D&D projects and practices
- Evaluate all existing subcontract requirements compared to commercial practices and contractual authority to establish flow-downs
- Develop new standard commercial D&D approach that accomplishes safe work performance and compliance with appropriate requirements





Safety

- Pre-qualification based on safety performance
- Full compliance with OSHA, EPA, DOT, and CDPHE regulations
- Copies of all safety documentation required by Regulations
 - Demolition Plan
 - Asbestos training certification
 - Dust control plan
 - Other
- Apply ISMS through the subcontract Statement of Work
 - Statement of Work included in solicitation and subcontract
 - Hazard identified
 - Controls included in the subcontract, or as part of a subcontract deliverable
 - Dedicated team to manage changes (Rapid Response)





DOE Orders and Requirements

- Appropriately apply contractor authority to determine necessary and sufficient subcontractor flow-down requirements for DOE Orders (matrix analysis yields appropriate flow-downs)
- Prime Contractor will not task subcontractor with review of DOE orders or their requirements. All requirements will be included in the subcontract or implemented by Prime Subcontractor





Building 111 D&D Acquisition Strategy

• Objective:

 Demonstrate application of D&D commercial practices to safely and compliantly abate/demolish Building 111 with significantly reduced costs

Approach:

- Establish new "commercial" subcontract terms and conditions
 - Prime Contract required flow-down (3 clauses)
 - Statutory or Regulatory (4 clauses)
 - Desired (36 clauses)
- Establish "requirements" SOW





Building 111 D&D Acquisition Plan

- Public Advertisement issued January 8, 2001:
 - **CBD**

- Identical language released on same dateTwo Step process
- **Demolition News**
- **Pre-Qualification (STEP 1) responses due February 1, 2001:**
 - Safety and Compliance
 - Past Experience requirements
 - Financial Stability

- Advertisement identifies specific submittal
- **K-H Evaluation of Pre-Qual. Submittals:**
 - K-H Go/No Go Determination (see K-H Evaluation Plan)
- Establish Pre-qualified Source List and RFP issue (STEP 2) February 9, 2001





Building 111 D&D Acquisition Plan (cont.)

- RFP Features (see Pre-Procurement Plan):
 - Public Advertisement Language
 - New commercial T&Cs (incl. matrix analyses w/justification)
 - \blacksquare FFP(s) for:
 - Asbestos Abatement
 - Demolition
 - Abatement and Demolition

May award 1 or 2 subcontracts

- Only price is evaluated for award determination
 - K-H reserves right to negotiate/discuss prior to award
 - Best value determination





Building 111 D&D Acquisition Plan (cont.)

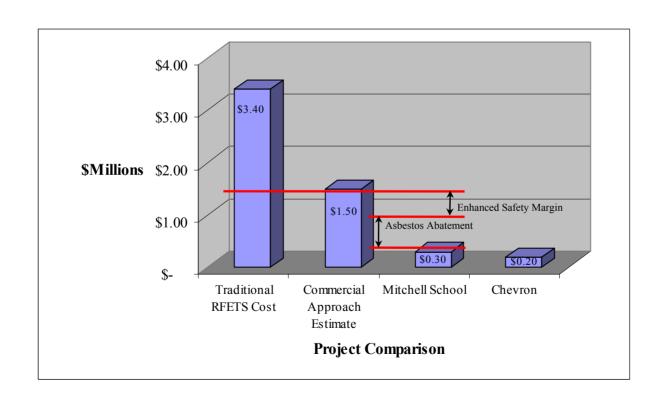
- Pre-Proposal Conference (February 20, 2001):
 - **RFP** review and RFETS orientation
 - Offeror written questions (K-H written answers follow)
 - Offerors B-111 Characterization walk-through (5 days)
- Subcontract Award(s) on March 29, Start Work May 1, and Complete Project August 30, 2001
- Cookie-Cutter Application Site-Wide
 - Follow-On Competitions (80 to 100 million dollars)





Cost Savings

Benchmark comparisons

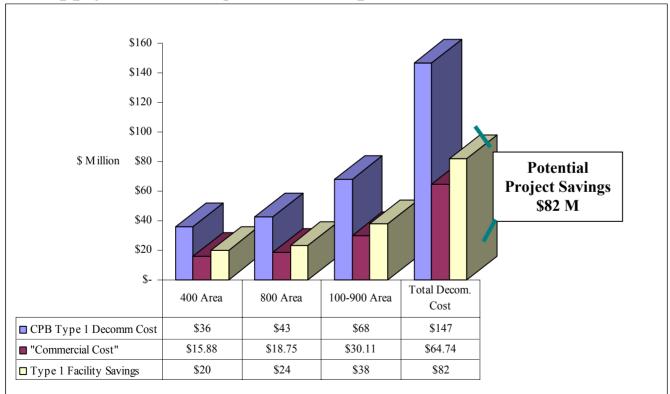






Potential Cost Savings

- Cost savings could be re-programmed to expedite site closure
- Apply cost savings DOE complex-wide







Summary / Path Forward

Summary

- Existing contractual responsibilities will <u>NOT</u> change
- Utilizing existing contract authority to establish new "commercial" subcontract
- Commercial approach will result in significant cost savings
- Savings can be realized both at RFETS and DOE complex wide
- DOE's role





Lessons Learned

- Pilot Project was successful
- Additional oversight was required to achieve basic OSHA compliance
- Local Asbestos Workers were difficult to obtain
- Restriction on use of Foreign Nationals needs to be revised
- Firm Fixed Price Commercial Subcontract identified administrative weaknesses
- Badging of personnel for an extended project is time intensive



